

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 15-30125

The Archdiocese of Saint Paul and Minneapolis,

Chapter 11

Debtor.

Judge Robert J. Kressel

**APPLICATION TO EMPLOY STINSON LEONARD STREET LLP
AS COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
EFFECTIVE AS OF FEBRUARY 23, 2015**

TO: UNITED STATES BANKRUPTCY JUDGE AND THE UNITED STATES TRUSTEE

The Official Committee of Unsecured Creditors (the “Committee”) of The Archdiocese of Saint Paul and Minneapolis (the “Debtor”) hereby makes an application (“Application”) to this Court for entry of an order, under 11 U.S.C. §§ 328 and 1103, authorizing the Committee to retain and employ the law firm of Stinson Leonard Street LLP (“SLS”), as its bankruptcy counsel in all matters pertaining to the above-referenced Chapter 11 bankruptcy case. In support of this Application, the Committee relies on the attached Unsworn Declaration of Robert T. Kugler, Esq. (the “Kugler Declaration”). In addition, the Committee respectfully represents:

1. Jurisdiction. The Court has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157 and 1334, Bankruptcy Rule 5005, and Local Rule 1070-1. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

2. Debtor. The Chapter 11 Debtor in this case is The Archdiocese of Saint Paul and Minneapolis. The petition commencing this case was filed on January 16, 2015. This case is now pending in this Court.

3. Committee. On February 19, 2015, the Office of the United States Trustee appointed the Committee. The United States Trustee designated James Keenen as acting chairperson of the Committee. As of the date of this Application Mr. Keenan remains the acting chairperson.

4. Selection of Counsel. On February 23, 2015, the Committee unanimously selected SLS to serve as its bankruptcy counsel, subject to this Court's approval. The Committee believes that SLS possesses extensive knowledge and skill in the areas of law relevant to this case, and that SLS is well-qualified to represent the Committee's interests. The Committee seeks an order authorizing the employment of SLS on its behalf.

5. Qualifications of Counsel. SLS has represented numerous unsecured creditors' committees and other parties in many significant Chapter 11 cases on a number of issues, including, but not limited to: (a) analysis of property of the estate and maximizing recovery for the benefit of creditors; (b) the treatment of executory contracts and leases, including negotiations and litigation involving the rejection of contracts and leases; (c) the valuation and treatment of claims, including litigation involving objections to claims; (d) review and analysis of disclosure statements and plans of reorganization and liquidation and the treatment of unsecured creditors, including objections to those disclosure statements and plans; (e) avoidance litigation; (f) asset disposition, including review, analysis, and objections to, motions for the approval of sale of assets; (g) review and analysis of the debtor's monthly operating reports and objections to same; and (h) negotiations and mediation relating to abuse claim issues. SLS also has a broad-based practice, including a high level of sophistication in the areas of corporate and commercial law and litigation, as well as other areas that may become relevant to the administration of this Chapter 11 case.

6. Services of Counsel. By this Application, the Committee seeks to employ SLS as its counsel in the Debtor's Chapter 11 bankruptcy case. Accordingly, the Committee

respectfully requests entry of an Order pursuant to sections 1103(a) and 328 of the Bankruptcy Code and Local Rules 2014-1 and 9013-1 authorizing the Committee to retain and employ SLS as its attorneys to perform for the Committee all necessary legal services, including but not limited to:

- (a) consulting with the Debtor and the Office of the United States Trustee regarding administration of the case;
- (b) advising the Committee with respect to its rights, powers, and duties as they relate to the case;
- (c) investigating the acts, conduct, assets, liabilities, and financial condition of the Debtor;
- (d) assisting the Committee in analyzing the Debtor's pre-petition and post-petition relationships with its creditors, equity interest holders, employees, and other parties in interest;
- (e) assisting and negotiating on the Committee's behalf in matters relating to the claims of the Debtor's other creditors;
- (f) assisting the Committee in preparing pleadings and applications as may be necessary to further the Committee's interests and objectives;
- (g) researching, analyzing, investigating, filing and prosecuting litigation on behalf of the Committee in connection with issues including but not limited to avoidance actions or fraudulent conveyances;
- (h) representing the Committee at hearings and other proceedings;
- (i) reviewing and analyzing applications, orders, statements of operations, and schedules filed with the Court and advising the Committee regarding all such materials;
- (j) aiding and enhancing the Committee's participation in formulating a plan;
- (k) assisting the Committee in advising unsecured creditors of the Committee's decisions, including the collection and filing of acceptances and rejections to any proposed plan;
- (l) negotiating and mediating issues relating to the value and payment of claims held by the Committee's constituency; and

- (m) performing such other legal services as may be required and are deemed to be in the interests of the Committee.

7. Fees. SLS will be compensated at or below its standard hourly rates for engagements of this nature. Such fees are based upon, among other things, the level and sophistication of each professional's experience, the size and complexity of the matter involved, and each professional's track-record for efficiency and effectiveness. SLS's hourly rates for this matter are: \$195.00-\$285.00/hour for paralegals; \$325.00-\$380.00/hour for associates, and \$420.00-\$640.00/hour for partners.

(a) *Reasonableness of Fees.* The fees charged by SLS are competitive with the fees charged by firms of similar size, level of expertise and experience. The fees and costs charged by SLS are at or below the fees and costs charged to other, similar clients of SLS on matters of similar size and complexity. SLS's fees also comply with the United States Trustee's Guidelines and orders of this Court.

(b) *Changes to the Fee Structure.* SLS's hourly rates are subject to periodic adjustments in the ordinary course of practice. Such adjustments are generally made on an annual basis, and based upon changes in the legal market and the increased sophistication and effectiveness of a given professional.

8. Costs. It is SLS's standard policy, in all areas of practice, to charge clients for certain expenses incurred in connection with the client's case. The Committee requests that all fees and related expenses incurred by the Debtor on account of services rendered by SLS in these cases be paid as administrative expenses of the estates pursuant to Sections 328, 330(a), 331, 503(b) and 507(a)(1) of the Bankruptcy Code. The expenses to be charged to the Debtor include, among other things, certain telephone and tele-copier charges, certain mail and express mail charges, special or hand delivery charges, certain photocopy charges, travel expenses, and

computerized research expenses. SLS will charge the Debtor for these expenses in a manner and at a rate consistent with charges made generally to SLS's other clients, and consistent with the United States Trustee's Guidelines and Local Bankruptcy Rules.

9. Compensation Subject to Court's Approval. As set forth in the Kugler Declaration, SLS acknowledges that all compensation is subject to court approval after a hearing and upon notice to the United States Trustee and other interested parties. SLS may, from time to time apply to the Court for interim compensation in conformity with Section 331 of the Bankruptcy Code. At the conclusion of these cases, SLS will file an appropriate application seeking allowance of all fees and costs to date, regardless of whether interim compensation has been paid. The Committee and SLS understand and agree that the proposed compensation arrangement shall be subject to Section 328(a) of the Bankruptcy Code, which authorizes this Court to modify SLS's compensation if the fee arrangement appears in retrospect to have been improvident in light of developments unanticipated as of the time of this Application.

10. Timing of Fee Applications. The Committee requests that the fee applications for SLS be approved by the Court on 90-day intervals as provided in Instruction 9(b) of this Court's published Instructions for Filing a Chapter 11 Case.

11. Final Compensation. At the conclusion of this Chapter 11 case, SLS will file an appropriate application seeking final allowance of its fees and costs, regardless of whether interim compensation has been paid to SLS. Upon allowance of such fees and costs, the Debtor's estates will pay to SLS the difference between the amounts allowed to SLS and any interim compensation already distributed to SLS.

12. Right to Withdraw. In the event that SLS does not receive timely payment of its fees and expenses as provided in this Application, SLS reserves the right to withdraw from its representation of the Committee.

13. Possible Disgorgement. SLS understands and agrees that, if aggregate interim payments made to SLS exceed the amount that is ultimately allowed to SLS, SLS will be required to, and will, promptly repay the entire difference to the Debtor's estate.

14. SLS Is Not a Creditor. SLS does not hold or assert a pre-petition claim against the Debtor, and SLS is not otherwise a creditor of the Debtor.

15. Disinterestedness. To the best of the Committee's and SLS's knowledge, information, and belief, and as set forth in the Kugler Declaration, SLS does not represent any interest adverse to the Debtor's estate or its creditors in connection with these Chapter 11 cases, and SLS is disinterested within the meaning of sections 327(a), 328 and 1103(b) of the Bankruptcy Code and Bankruptcy Rule 2014. Aside from *de minimus* items specifically disclosed, counsel and associates of SLS do not have any connection with the Debtor, its estate, or any other party in interest, its representative attorneys and accountants, the United States Trustee for Region 12, or any person employed in the Office of the United States Trustee for Region 12.

16. Continuing Duty to Disclose. SLS has assessed, and will continue to monitor and assess, all of its client relationships to ensure that SLS is, and remains, disinterested. In addition, SLS will disclose on an ongoing basis any relationship that may reflect upon its disinterestedness.

17. No Fee Sharing. In accordance with Bankruptcy Rule 2016(b), SLS has not shared, or agreed to share, any compensation received in connection with these cases with other entity.

18. Notice. Notice of this Application has been provided to (i) counsel for the Debtor, Richard D. Anderson, Briggs and Morgan, P.A., 2200 IDS Center, 80 S. 8th Street, Minneapolis,

MN 55402; (ii) Sarah J. Wencil, Esq., Office of the United States Trustee, Suite 1015, U.S. Courthouse, 300 South Fourth Street, Minneapolis, MN 55415; and (iii) all other parties listed on the attached service list.

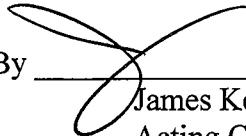
19. No Prior Request. No previous request for the relief sought by the Application has been made to this or any other court.

WHEREFORE, the Committee respectfully requests that the court enter an order in the form attached authorizing the Committee to retain SLS as its counsel in this case, effective as of February 23, 2015, and granting such further relief as may be just and proper.

OFFICIAL COMMITTEE OF UNSECURED
CREDITORS

Date: March 2, 2015

By



James Keenan
Acting Chairperson

PREPARED BY:

Robert T. Kugler (# 194116)
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*Proposed Counsel to the Official Committee of
Unsecured Creditors*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 15-30125

The Archdiocese of Saint Paul and Minneapolis,

Chapter 11

Debtor.

Judge Robert J. Kressel

**VERIFIED STATEMENT OF ROBERT T. KUGLER IN SUPPORT OF THE
APPLICATION TO EMPLOY STINSON LEONARD STREET LLP AS COUNSEL
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
EFFECTIVE AS OF FEBRUARY 23, 2015**

Robert T. Kugler, Esq., makes the following verified statement ("Statement") in support of the Application ("Application") of the Official Committee of Unsecured Creditors ("Committee") to employ Stinson Leonard Street LLP as its legal counsel effective as of February 23, 2015.

1. I am a partner in the law firm of Stinson Leonard Street LLP ("SLS"), which maintains offices for the practice of law at, among other locations, 150 South Fifth Street, Minneapolis, Minnesota, 55402. I am duly admitted to practice law in the States of Minnesota and Wisconsin, including the United States Court of Appeals for the Eighth Circuit, United States District Court for the District of Minnesota, United States District Court for the Northern District of California, and the United States District Court for the Western District of Wisconsin.

2. I submit this Statement (the "Statement") in support of the Application of the Committee pursuant to sections 328 and 1103 of Title 11 of the United States Code (the "Bankruptcy Code"), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 2014-1 of the Local Bankruptcy Rules, for entry of an order authorizing the employment and retention of SLS, as counsel to the Committee, effective as of February 23, 2015.

3. Except as otherwise indicated, the facts set forth in this Statement are personally known to me and, if called as a witness, I could and would testify thereto.

4. To the extent that any information disclosed herein requires supplementation, amendment or modification upon SLS's completion of further analysis or as additional information becomes available to it, a supplemental Statement will be filed with the Court.

5. In connection with its proposed retention by the Committee and in preparing this Statement, SLS researched its client database to determine whether it has any relationships with any of the parties-in-interest listed on Exhibit 1 (the "Case Parties") attached hereto and incorporated herein. The list of Case Parties was generated by SLS by reviewing the Official Catholic Directory published by The Archdiocese of Saint Paul and Minneapolis in 2014, and by reviewing pleadings filed in existing lawsuits between the Debtor and various insurers. The list of Case Parties also includes the "Catholic entities" set forth on Exhibit A to the Verified Statement of Richard D. Anderson in Support of the Application by the Debtor to Employ Chapter 11 Counsel (Briggs and Morgan, P.A.), which was filed in this case as docket number 4.

6. SLS is also in the process of comparing the parties listed on the Debtor's schedules to the Case Parties. To the extent any party did not already appear on the list of Case Parties, SLS intends to augment its conflict search to include those parties as well (together with the Case Parties, the "Parties-in-Interest"). SLS will supplement this Statement, as necessary, with disclosures of additional responsive information as it develops or becomes available through the ongoing conflict process described herein.

7. The database maintained by SLS is designed to include every matter on which the firm is now or has been engaged, the person or entity for which the firm is now or has been engaged, and in each instance, the identity of related parties and adverse parties and the attorney

in the firm that is knowledgeable about the matter.¹ It is the policy of SLS that no new matter may be accepted or opened within the firm without comparing the database against the prospective client and parties-in-interest. Accordingly, the database is regularly updated for every new matter undertaken by SLS.

8. Based on these inquiries, SLS discloses that it currently represents the Parties-in-Interest listed on the attached **Exhibit 2** (or an affiliate, subsidiary or related entity thereof), in matters wholly-unrelated to this Chapter 11 case. Where there is any uncertainty as to whether SLS represents any Party-in-Interest, SLS has listed such Party-in-Interest on Exhibit 2 out of an abundance of caution to ensure thorough disclosure.

9. In each instance, SLS's representation of entities set forth on **Exhibit 2** represented less than 1% of SLS's revenue for 2014.

10. SLS further discloses that it – or one of its legacy firms of Leonard, Street and Deinard Professional Association or Stinson Morrison Hecker LLP – formerly represented the Parties-in-Interest listed on the attached **Exhibit 3** (or an affiliate, subsidiary or related entity thereof), in matters wholly-unrelated to this Chapter 11 case. Where there is any uncertainty as to whether SLS or one of its legacy firms formerly represented any Party-in-Interest, SLS has listed such Party-in-Interest on Exhibit 3 out of an abundance of caution to ensure thorough disclosure.

11. As SLS continues to compare the parties listed on the Debtor's schedules to the Case Parties, or in the event that the Debtor makes additional filings such as supplemental or amended schedules, it may come to light that SLS has represented one or more other creditors, or

¹ On January 1, 2014, the law firms of Leonard, Street and Deinard Professional Association and Stinson Morrison Hecker LLP merged to form Stinson Leonard Street LLP. The database researched includes the past client information for both firms.

parties in interest, in matters wholly unrelated to this Chapter 11 case. Once the Debtor makes any such additional filings disclosing the identities of additional creditors and/or parties in interest, SLS will conduct additional conflict checks to ensure that any such relationships and/or connections are duly disclosed by way of a supplemental Statement, and SLS will also take all steps necessary to ensure that any related issues are addressed in a manner consistent with applicable rules of professional conduct and the Bankruptcy Code.

12. Insofar as I have been able to ascertain, except as described herein, the partners, counsel, associates, and paraprofessionals of SLS are “disinterested” parties within the meaning of Section 101(14) of the Bankruptcy Code, and have no interest adverse to and no connection with the Committee, the Debtor’s estate, creditors or any other party-in-interest herein or their respective attorneys and accountants with respect to matters for which SLS is to be engaged.

13. SLS’s conflict search indicated that one of its former attorneys, Mr. Albert A. Woodward, served for several years in his individual capacity on the Debtor’s Board of Pension Trustees, and on the Archdiocesan Investment Advisory Committee. Mr. Woodward’s service in connection with these organizations was undertaken in all instances as a layperson and in his individual capacity as opposed to in his capacity as an attorney, partner, shareholder, or agent of SLS or one of its predecessor firms, and Mr. Woodward neither represented the Debtor’s Board of Pension Trustees or the Archdiocesan Investment Advisory Committee, nor provided any legal advice or assistance in connection with such service.

14. SLS’s conflict search revealed that one of its current partners, Mr. Randy Zellmer, volunteers as an “annulment auditor” on behalf of the Diocese of Winona. The Diocese of Winona may be an affiliate of the Debtor or otherwise become an interested party in this case. In his role as an annulment auditor, Mr. Zellmer provides guidance to the Diocese regarding

whether a marital annulment is appropriate in instances where one is requested by parishioners. Mr. Zellmer's volunteer service has been undertaken in all instances in his individual capacity as opposed to in his capacity as an attorney, partner, shareholder, or agent of SLS or one of its predecessor firms, and Mr. Zellmer neither represents the Diocese of Winona nor provides any legal advice or assistance in connection with his volunteer service to the Diocese of Winona.

15. Arthur G. Boylan is a partner at SLS. Mr. Boylan's father – Arthur J. Boylan, the former Chief Magistrate Judge for the U.S. District Court in Minnesota – has been appointed to mediate certain issues in connection with this Chapter 11 case. Arthur G. Boylan will not be working on this Chapter 11 case and, more specifically, Arthur G. Boylan will not have anything to do with the mediation overseen by his father. Nevertheless, because Mr. Boylan's family connection to a mediator appointed in this case could be considered a "connection," it is disclosed out of an abundance of caution.

16. SLS's conflict search revealed that Mr. Arthur G. Boylan also serves on the board of directors for the Risen Christ School in Minneapolis. Risen Christ School may be an affiliate of the Debtor. Mr. Boylan's board service was undertaken in all instances in his individual capacity as opposed to in his capacity as an attorney, partner, shareholder, or agent of SLS or one of its predecessor firms, and Mr. Boylan neither represents the Risen Christ School nor provides any legal advice or assistance in connection with such board service.

17. SLS's conflict search revealed that SLS, via its predecessor firm of Leonard, Street and Deinard, P.C., formerly represented DeLaSalle High School ("DeLaSalle") in matters wholly unrelated to this Chapter 11 Case. DeLaSalle may be an affiliate of the Debtor. SLS's representation of DeLaSalle related, among other things, to the character and scope of certain real property interests owned by DeLaSalle. Although SLS's representation of DeLaSalle

concluded years ago, in an abundance of caution, SLS has erected an ethical wall to ensure that any confidential information obtained through its former representation of DeLaSalle will not become known or available to attorneys representing the Committee.

18. SLS's conflict search also indicated that Kevin Conneely, a partner at SLS, was appointed by the Archbishop in November 2013 to be the Chair of the newly-constituted Ministerial Standards Board (MSB). The MSB is a nine-member volunteer advisory group that serves in a consultative role on matters relating to clergy misconduct and clergy fitness for public ministry. The MSB advises the Archbishop, and more recently the Director of Ministerial Standards and Safe Environment, on the fitness of priests of the Archdiocese for public ministry and other matters regarding ministerial standards and restrictions. In this role, Mr. Conneely acts as a layperson and in his individual capacity and does not provide any legal advice to the Archdiocese or any Archdiocesan officials, he does not have any powers or offices within the Archdiocese, and the recommendations of the MSB are non-binding on any Archdiocesan official. Like others on MSB members who are reviewing files for priests who come before the MSB, Mr. Conneely has access to the files for any given priest and also has access to confidential internal correspondence and materials that the Archdiocese may claim as privileged. Like all other MSB members, Mr. Conneely has signed a Confidentiality Agreement with the Archdiocese by which he has agreed to protect, and not to disclose or use for any other purpose, any confidential and privileged information related to his work on the MSB. SLS maintains no records or files in connection with Mr. Conneely's service on the MSB.

19. SLS's conflict search reflected that one of its partners, Mr. David Naples, serves on the Finance Committee for St. John the Baptist Byzantine Catholic Church. St. John the Baptist Byzantine Catholic Church may be an affiliate of the Debtor. Mr. Naples's board service

has been undertaken in all instances in his individual capacity as opposed to in his capacity as an attorney, partner, shareholder, or agent of SLS or one of its predecessor firms, and Mr. Naples neither represents St. John the Baptist Byzantine Catholic Church nor provides any legal advice or assistance in connection with his volunteer service to that entity.

20. SLS's conflict search also indicated that from May 12, 2004 to May 21, 2004 a former SLS attorney, Ms. Mary Morrison, represented the Archdiocese in connection with the allocation of a charitable contribution. At this time, it is not anticipated that such allocation will become a point of controversy in this bankruptcy case. Out of an abundance of caution, SLS will refrain from participating in any negotiations or litigation relating to, or arising out of any claim relating to the subject contribution.

21. SLS's conflict search also indicated that in 2014 it represented the Dakota County Community Development Association ("CDA") in connection with an Internal Revenue Service ("IRS") audit of tax exempt bonds issued by the CDA in 2002 (the "Bonds") in order to refinance certain improvements to Faithful Shepherd Catholic School ("Faithful Shepherd"), a possible affiliate of the Debtor. In 2002, the CDA loaned the proceeds of the Bonds to the Catholic Finance Corporation ("CFC"), which in turn loaned the proceeds to the Archdiocese, which caused the proceeds to be applied to refinance debt of Faithful Shepherd. Upon information and belief, the Bonds were refunded and retired in full in 2012, although certain indemnity obligations of the Archdiocese remain. One of those continuing indemnity obligations is the obligation of the Archdiocese to pay any costs incurred by the CDA in connection with any IRS audit of the Bonds. The IRS conducted such an audit in 2014 and SLS, in representing the CDA, incurred fees of \$10,146.00. On December 10, 2014, Debtor paid those indemnification costs directly to SLS rather than to CDA. Under these circumstance, SLS does not believe this

payment would cause it to be disinterested, but out of an abundance of caution and to insure that there is no concern regarding potential conflicts, SLS has refunded the \$10,146.00 to the Debtor.

22. Other than as disclosed herein to the best of my knowledge, neither SLS nor any attorney or paraprofessional at SLS, currently, or in the past, has represented the Debtor in any matter. Moreover, SLS will not undertake the representation of any party other than the Committee in connection with this Chapter 11 case.

23. To the best of my knowledge, neither SLS nor any attorney or paraprofessional at SLS is an insider of the Debtor, and neither SLS nor any attorney or paraprofessional at SLS holds directly any claim, debt or equity security of the Debtor.

24. Other than as disclosed herein to the best of my knowledge, neither SLS nor any attorney or paraprofessional at SLS represents any party-in-interest or entities other than the Committee in connection with this Chapter 11 case.

25. To the best of my knowledge, no attorney or paraprofessional at SLS has been, within two years from the date of the filing of the Debtor's petition, a director, officer, or employee of the Debtor.

26. SLS does not have an interest materially adverse to the interests of the Debtor's estate or an interest materially adverse to any class of creditors or equity security holders of the Debtor, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor, or for any other reason.

27. To the best of my knowledge and information, SLS neither holds nor represents any interest adverse to the Committee, the Debtor, its creditors or other parties-in-interest or their respective attorneys upon matters which SLS is to be employed.

28. SLS, in the past, may have represented, or may currently represent, or may in the future represent, certain creditors or claimants of the Debtor or other parties-in-interest, or their respective attorneys, accountants and investment banks, in matters unrelated to the Debtor's Chapter 11 case, or entities' claims against, or interests in, the Debtor's estate.

29. It is also possible that other direct or indirect relationships or connections may exist or arise among SLS and the Debtor or its creditors without my knowledge, and in the event other material connections are found to exist that would require disclosure under any applicable statutes or rules, SLS reserves the right to, and will, promptly supplement this Statement.

30. SLS intends to apply for compensation for professional services rendered in connection with this Chapter 11 case subject to the approval of this Court and in compliance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, the Local Bankruptcy Rules, and orders of this Court, on an hourly basis, plus reimbursement for all actual, necessary out-of-pocket expenses and other charges incurred by SLS. The 2015 hourly rates for the attorneys expected to provide the bulk of services for the Committee are as follows:

Robert Kugler	\$620.00
Edwin Caldie	\$420.00
Katherine Becker	\$410.00
Amanda Schlitz (Associate)	\$360.00
Phillip Ashfield (Associate)	\$340.00
Aong Moua (Paralegal)	\$285.00

In addition, other attorneys and paralegals at SLS may render legal services as necessary and as appropriate to represent the Committee. The 2015 hourly rates of other SLS partners, of

counsel, associates, and paralegals that may provide legal services to the Committee are as follows:

Partners	\$410 to \$640 per hour
Of Counsel	\$320 to \$580 per hour
Associates	\$325 to \$380 per hour
Staff Attorneys	\$230 to \$320 per hour
Paralegals	\$195 to \$270 per hour

31. The hourly rates indicated above are the customary hourly rates charged by SLS in other cases. All rates are subject to periodic adjustment to reflect economic conditions, experience, and other relevant factors. SLS will also seek reimbursement for all out-of-pocket expenses incurred in rendering services to the Committee, consistent with the rules and guidelines of the Court. These expenses include, *inter alia*, court reporters, transcription, computerized research, filing fees, photocopying charges (both in-house and outside), long-distance telephone calls, facsimile transmissions, postage and overnight carrier delivery services, messengers, courier mail, and overtime and temporary services. Some of these services are provided by SLS, in which case the charges are set by SLS, and others are provided by third-party service providers, in which case the charges are set by the providers. SLS will charge the cost of these expenses in a manner and at rates consistent with charges generally made to the firm's other clients. All such charges for which SLS seeks payment are subject to Court approval and/or pursuant to any administrative procedures established by the Court.

32. SLS will file applications for compensation with the Court in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and orders of this Court, and be paid pursuant to said Code, Rules and orders. SLS intends

to make all reasonable efforts to comply with the U.S. Trustee's requests for information and additional disclosures, both in connection with this application and the fee applications to be filed by SLS in this Chapter 11 case.

33. No promises have been received by SLS or any partner, counsel or associate thereof as to compensation in connection with this Chapter 11 case other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules and orders of this Court.

34. In accordance with Section 504 of the Bankruptcy Code, no agreement or understanding exists between me, my firm or any partner or employee thereof, on the one hand, and any other person, on the other hand, for the division of such compensation as my firm may receive from the Court herein, nor will any division of fees prohibited by Section 504 of the Bankruptcy Code be made by me, or any partner or employee of my firm.

35. For the reasons stated herein, SLS represents no interest adverse to the Debtor's individual creditors or the Committee upon matters which SLS is to be employed and, therefore, is capable of fulfilling its duties to the Committee and the unsecured creditors that the Committee represents.

36. SLS will continue to review any new information regarding Parties-in-Interest and will make further disclosures as may be appropriate at that time.

37. SLS is current among the five largest law firms in Minnesota and SLS has the financial wherewithal to, and will, disgorge fees if the Court so orders at any point in this case.

Dated: March 2, 2015

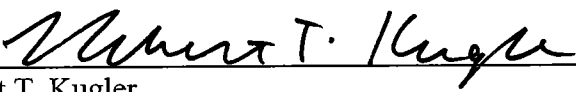

Robert T. Kugler

EXHIBIT 1

21st Century Centennial Insurance Company
Academy of Holy Angels
Academy of Holy Angels / Legal Advice Regarding Student Claim
Aetna Casualty and Surety Company
Aim Higher Foundation
All Saints Catholic Church
All Saints School
Aloysius Callaghan
American Home Assurance Company
Andrew Cozzens
Annunciation Catholic Church
Annunciation School
Archdiocesan Correctional Ministries
Archdiocesan Council of Catholic Women (ACCW)
Archdiocese of Milwaukee, WI
Archdiocese of Saint Paul and Minneapolis
Archdiocese of Saint Paul and Minneapolis Chancery Offices
Ascension Catholic Church
Ascension School
Association of Coordinators and Religious Educators (ACRE)
Assumption Catholic Church
Ave Maria Academy
Basilica of Saint Mary Catholic Church
BeFriender Ministries
Bellefonte Insurance Company
Benedictine Health Center At Innsbruck
Benedictine Health Center of Minneapolis
Benedictine Senior Living at Steeple Pointe
Benilde-St. Margaret's School
Bethlehem Academy School
Blessed Sacrament Catholic Church
Blessed Trinity School (Nicollet Campus, Gr. 4-8)
Blessed Trinity School (Penn Campus, Gr. PreK-3)
Brainerd Lakes Catholic Churches (Diocese of Duluth)
Calvary Cemetery

Carmelite Hermitage of the Blessed Virgin Mary
Carondelet Catholic School
Casa Guadalupana
Catherine Cory
Catholic Cemeteries
Catholic Charismatic Renewal Office
Catholic Charities
Catholic Charities Office for Social Justice
Catholic Charities Trafficking Victim Services
Catholic Committee on Scouting
Catholic Community Foundation
Catholic Eldercare
Catholic Eldercare 1101 on Main
Catholic Eldercare Mainstreet Lodge
Catholic Eldercare on Main
Catholic Eldercare RiverVillage East
Catholic Eldercare RiverVillage North
Catholic Finance Corporation
Catholic Mutual
Catholic Mutual Relief Society of America, The
Catholic Senior Services
Catholic United Financial
Catholic Youth Camp (CYC)
Center for Mission
Cerenity Senior Care - Marian of Saint Paul
Certain Underwriters at Lloyd's, London
Charles Lachowitzer
Christ the King Catholic Church
Christ the King Retreat Center
Christopher Shofner
Christopher Thompson
Church of All Saints
Church of St. Mary (Diocese of New Ulm)
CNA Reinsurance of London Limited
College of St. Benedict

College of St. Scholastica

Colonial Penn Insurance Company

Commission of Black Catholics

Commission on Ecumenism and Interreligious Affairs

CommonBond Communities

Community of Saints Regional Catholic School

Companions of Christ

Continental Casualty Company

Continental Insurance Company

Convent of the Good Shepherd

Corey Belden

Corpus Christi Catholic Church

Cotter Schools (Diocese of Winona, MN)

Courage/EnCourage

Cretin-Derham Hall High School

Cristo Rey Jesuit High School

Curatio: Apostolate of Catholic Health Care Professionals

Dale Korogi

Daniel F Griffith

Daniel Gannon

Daniel Griffith

Daniel Statsick

David Blume

David Kohner

David W Smith

Deb Thielen

DeLaSalle High School

Dennis Thompson

Diocese of Crookston

Diocese of Duluth

Diocese of New Ulm

Diocese of St. Cloud

Diocese of Winona

Divine Mercy Catholic Church

Dominion Insurance Company

Don Briel

Donald DeGrood

Dunrovin Christian Brothers Retreat Center

Dwight Whitt

Epiphany Catholic Church

Erich Rutten

Excess Insurance Company

Faithful Shepherd Catholic School

Fernando Ortega

Fireman's Fund Insurance Company

Francis Kittock

Franciscan Brothers of Peace

Franciscan Retreats and Spirituality Center

Friends of Catholic Urban Schools

George Welzbacher

Gethsemene Cemetery

Gichitwaa Kateri Catholic Church

Good Shepherd Catholic Church

Good Shepherd School

Greg Pulles

Gregory Welch

Greta Sawyer

Guardian Angels Catholic Church

Hartford Accident and Indemnity Company

Heather Lawton

Highland Catholic School

Highlands on Graham Senior Apartments

Hill-Murray School

Holy Childhood Catholic Church

Holy Cross Catholic Church

Holy Family Academy

Holy Family Catholic Church

Holy Family Catholic High School

Holy Family Maronite Catholic Church (Eastern Rite)

Holy Name Catholic Church

Holy Name of Jesus Catholic Church

Holy Name of Jesus School

Holy Rosary Catholic Church

Holy Spirit Catholic Church

Holy Trinity Catholic Church

Holy Trinity School

Immaculate Conception Catholic Church

Immaculate Conception Catholic Church of Marysburg

Immaculate Conception Catholic School

Immaculate Heart of Mary Catholic Church

Incarnation Catholic Church

Interstate Fire and Casualty Company

J Michael Byron

Jackie Daylor

James Accurso

James Perkl

Jean Stolpestad

Jeff Cavins

Jesuit Retreat House - Demontreville

John Bierbaum

John Cherek

John Floeder

John McMahon

John Nlenstedt

John Paul Erickson

John Selvig

John Ubel

John Vomastek

Joseph Kueppers

Joseph Michalak, Jr

Joseph R Johnson

Karen Rauenhorst

Kenneth Pierre

Kevin Kenney

Kevin McDonough

La Mision at Church of the Assumption

Laurinda Irwin

Lee Piche

LifeCare Center East

Little Sisters of the Poor Holy Family Residence

Lorna Anderson

Loyola Catholic School (Diocese of Winona)

Loyola Spirituality Center

Lucy Johnson

Lumen Christi Catholic Community

Macalester College - Campus Ministry

Margaret LeClair

Mark Dittman

Mark Dosh

Mark Misukanis

Mark Pavlik

Mary Jo Jungwirth

Mary, Mother of the Church Catholic Church

Mary, Queen of Peace Catholic Church

Mary's Pence

Maternity of Mary - St. Andrew Catholic School

Maternity of the Blessed Virgin Catholic Church

Michael C Becker

Michael Krenik

Michael Skluzacek

Michael Sullivan

Michael Tegeder

Mickey Friesen

Minnesota Catholic Conference

MN Interfaith Power & Light

Most Holy Redeemer Catholic Church

Most Holy Trinity Catholic Church

Natalie McKliget

Nathaniel Meyers

National Catholic Rural Life Conference

National Fire Insurance Company of Hartford
Nativity Early Learning Center
Nativity of Mary Catholic Church
Nativity of Mary School
Nativity of Our Lord Catholic Church
Nativity of Our Lord School
Nativity of the Blessed Virgin Mary Catholic Church
NET Ministries
New Ulm Area Catholic Schools (Diocese of New Ulm)
Newman Center
Northside Life Care Center
Notre Dame Academy
Office of the Archbishop
Office of the Auxiliary Bishop and Vicar General
Office of Vicar General and Moderator of the Curia
Official Committee of Unsecured Creditors of Archdiocese of St. Paul and Minneapolis
Organizacion Creciendo Juntos
Our Lady of Grace Catholic Church
Our Lady of Guadalupe Catholic Church
Our Lady of Lourdes Catholic Church
Our Lady of Mount Carmel Catholic Church
Our Lady of Peace Catholic Church
Our Lady of Peace Home
Our Lady of the Lake Catholic Church
Our Lady of the Prairie Catholic Church
Our Lady of the Prairie School
Our Lady of Victory Catholic Church
Our, Lady of Guadalupe Catholic Church
Pacem in Terris Retreat Center
Partnership for Youth
Patrick Hipwell
Pax Christi Catholic Church
Peter Daly
Peter J Williams
Peter Wittman

Pope John Paul II Catholic School

Pregnancy Helpline

Premier Bank

Presentation of the Blessed Virgin Mary Catholic Church

Presentation of the Blessed Virgin Mary School

Pro-Life Action Ministries

Providence Academy

Ralph Talbot Jr

Regina Medical Center Senior Living

Resurrection Cemetery

Richard J Pearson

Risen Christ Catholic Church

Risen Christ School

Risen Savior Catholic Church

Riverview Highlands Senior Apartments

Robert Hart

Roger Scherer

Rolf Tollefson

Roman Catholic Diocese of Duluth

Roman Catholic Diocese of New Ulm

Ruth Porter

Sacred Heart Catholic Church

Sagrado Corazon de Jesus Catholic Church

Saint Agnes Catholic School

Saint Ambrose of Woodbury Catholic School

Saint Mary's University of Minnesota

Saint Paul's Outreach

Sandcastle Child Care Center & Preschool

Sara Kronholm

Sarah Mealey

School Sisters of Notre Dame

Sean McDonough

Shakopee Area Catholic School

Society of Saint Vincent de Paul Thrift Store

Sovereign Marine & General Insurance Company Limited

Sphere Drake Insurance PLC
Ss Joachim and Anne Catholic Church
Ss Peter and Paul Catholic Church
St George Catholic Church
St, Cecilia Catholic Church
St, John the Evangelist Campus of St. Wenceslaus
St. Adalbert Catholic Church
St. Agatha Catholic Church
St. Agnes Catholic Church
St. Albert Catholic Church
St. Albert the Great Catholic Church
St. Alphonsus Catholic Church
St. Alphonsus Parish School
St. Ambrose of Woodbury Catholic Church
St. Andrew Catholic Church
St. Andrew Kim Catholic Church
St. Anne - St. Joseph Hien Catholic Church
St. Anne Catholic Church
St. Anne School
St. Anthony Cemetery
St. Austin Campus of St. Bridget Catholic Church
St. Bartholomew Catholic Church
St. Bernard Catholic Church
St. Bonaventure Catholic Church
St. Boniface Catholic Church
St. Bridget Catholic Church
St. Bridget Catholic Church and School
St. Bridget of Sweden Catholic Church
St. Brigid's at Hi-Park
St. Canice Campus of Most Holy Redeemer Catholic Church
St. Casimir Catholic Church
St. Catherine University
St. Catherine University - Campus Ministry
St. Cecilia Catholic Church
St. Charles Borromeo Catholic Church

St. Charles Borromeo School
St. Charles Catholic Church
St. Clement Campus of Holy Cross
St. Cloud Diocese
St. Columba Catholic Church
St. Columbkil Campus of Holy Trinity Catholic Church
St. Constantine Ukrainian Catholic Church (Eastern Rite)
St. Croix Catholic School
St. Cyril and Methodius Catholic Church
St. Dominic Catholic Church
St. Dominic School
St. Edward Catholic Church
St. Elizabeth Ann Seton Catholic Church
St. Elizabeth Ann Seton School
St. Frances Cabrini (Archdiocese of Milwaukee, WI)
St. Frances Cabrini Catholic Church
St. Francis de Sales Catholic Church
St. Francis of Assisi (Diocese of Winona)
St. Francis of Assisi Catholic Church
St. Francis of the Lakes Catholic School
St. Francis Regional Medical Center
St. Francis Xavier Catholic Church
St. Francis Xavier School
St. Gabriel the Archangel Catholic Church
St. Genevieve Catholic Church
St. George Catholic Church
St. Gerard Majella Catholic Church
St. Gertrude's Health & Rehabilitation Center
St. Gregory the Great Catholic Church
St. Hedwig Campus of Holy Cross
St. Helena Catholic Church
St. Henry Catholic Church
St. Hubert Catholic Church
St. Hubert School
St. Ignatius Catholic Church

St. James Campus of St. Francis de Sales Catholic Church
St. Jerome Catholic Church
St. Jerome School
St. Joan of Arc Catholic Church
St. John Neumann Catholic Church
St. John the Baptist Byzantine Catholic Church (Eastern Rite)
St. John the Baptist Campus of St. Genevieve
St. John the Baptist Catholic Church
St. John the Evangelist Campus of St. Gabriel the Archangel Catholic Church
St. John the Evangelist Campus of St. Wenceslaus
St. John the Evangelist Catholic Church
St. John the Evangelist School
St. John Vianney College Seminary
St. John's University
St. Joseph Campus of St. Gabriel the Archangel Catholic Church
St. Joseph Catholic Church
St. Joseph Hospital
St. Joseph of the Lakes Catholic Church
St. Joseph School
St. Joseph the Worker Catholic Church
St. Jude of the Lake Catholic Church
St. Jude of the Lake School
St. Katharine Drexel Catholic Church
St. Lawrence Catholic Church
St. Leonard of Port Maurice Catholic Church
St. Louis, King of France Catholic Church
St. Luke Catholic Church
St. Margaret Mary Catholic Church
St. Mark Campus of Ss Joachim and Anne Catholic Church
St. Mark Catholic Church
St. Mark School
St. Maron Maronite Catholic Church (Eastern Rite)
St. Mary Campus of Holy Trinity Catholic Church
St. Mary Campus of Ss Joachim and Anne Catholic Church
St. Mary Catholic Church

St. Mary Junior and Senior High School (Diocese of New Ulm)
St. Mary of Czestochowa Catholic Church
St. Mary of the Lake Catholic Church
St. Mary of the Lake School
St. Mary of the Purification Campus of Ss Joachim and Anne Catholic Church
St. Mary School (Diocese of Winona)
St. Mary's Cemetery
St. Mathias Catholic Church
St. Matthew Catholic Church
St. Michael Catholic Church
St. Monica Parish School (Archdiocese of Milwaukee, WI)
St. Nicholas Catholic Church
St. Odilia Catholic Church
St. Odilia School
St. Olaf Catholic Church
St. Pascal Baylon Catholic Church
St. Pascal Baylon Catholic School
St. Patrick Catholic Church
St. Patrick School (Diocese of Superior, WI)
St. Paul Catholic Church
St. Paul Seminary School of Divinity
St. Paul's Monastery
St. Peter Catholic Church
St. Peter Catholic School
St. Peter Claver Catholic Church
St. Peter School
St. Pius X (Diocese of New Ulm)
St. Pius X Catholic Church
St. Pius X School
St. Plus V Catholic Church
St. Raphael Catholic Church
St. Raphael Catholic School
St. Richard Catholic Church
St. Rita Catholic Church
St. Rose of Lima Catholic Church

St. Rose of Lima Catholic School
St. Scholastica Campus of St. Wenceslaus
St. Sebastian Congregation (Archdiocese of Milwaukee, WI)
St. Stanislaus Catholic Church
St. Stephen Catholic Church
St. Stephen Catholic School
St. Therese at Oxbow Lake
St. Therese at St. Odilia
St. Therese Catholic Church
St. Therese of New Hope
St. Therese School
St. Therese Southwest
St. Thomas Academy
St. Thomas Aquinas Catholic Church
St. Thomas Becket Catholic Church
St. Thomas More Catholic Church
St. Thomas the Apostle Campus of Blessed Sacrament
St. Thomas the Apostle Catholic Church
St. Timothy Catholic Church
St. Timothy School
St. Victoria Catholic Church
St. Vincent de Paul Campus of Cathedral of St. Paul
St. Vincent de Paul Catholic Church
St. Vincent de Paul Catholic School
St. Wenceslaus Catholic Church
St. Wenceslaus Catholic School
St. William Catholic Church
Stan Mader
State Farm Fire & Casualty Company
Stephen LaCanne
Stephen Ulrick
Stewart Laird
Stronghold Insurance Company Limited
Susan Mulheron
Susan Stepka

Terra Nova Insurance Company Limited
The Catholic Spirit
The Church of Mendota
The Church of Saint Ambrose of Woodbury
The Church of the Blessed Sacrament of St. Paul
The Glenn by St. Therese Southwest
The Lawyers Guild of St. Thomas More
The Way of the Shepherd Catholic Montessori
The.Catholic Spirit
Theresa Hartnett
Thomas Abood
Thomas J Walker
Thomas Mertens
Thomas Schreier
Thomas Sieg
Thomas Skiba
TIG Insurance Company
Tim Marx
Timothy Cloutier
Timothy Dolan
TLC Options for Women
Transfiguration Catholic Church
Transfiguration Catholic School
Troy Przyblila
Twin Cities FertilityCare Center
Twin Cities TEC
University LifeCare Center
University of St. Thomas
University of St. Thomas - Campus Ministry
Venezuelan Mission
Veteran's Health Administration
Visitation Monastery of Minneapolis
Visitation School
Wakota Life Care
Wells Fargo bank

William Baer

William Murtaugh

Yasuda Fire & Marine Insurance Company (U.K.) Limited

EXHIBIT 2

SEARCHED-FOR PARTY	CURRENT FIRM CLIENT
Catholic Charities Trafficking Victim Services	Catholic Charities and Catholic Charities of St. Cloud
Cretin-Derham Hall High School	Cretin-Derham Hall High School
Providence Academy	Providence Academy
Saint Paul's Outreach	Saint Paul's Outreach, Inc.
St. John the Baptist Byzantine Catholic Church Eastern Rite	St. John the Baptist Catholic Church
University of St. Thomas	University of St. Thomas
Premier Bank	Premier Bank, Inc.
Catholic United Financial	Catholic United Financial
US Bank	US Bank
G & K Services	G & K Services
State Farm Fire & Casualty Company	State Farm Fire & Casualty Company

EXHIBIT 3

SEARCHED-FOR PARTY	FORMER FIRM CLIENT
Academy of Holy Angels	Academy of Holy Angels
Benedictine Health Center of Minneapolis	Benedictine Health System
Benilde-St. Margaret's School	Benilde-St. Margaret's School
Catholic Cemeteries	Catholic Cemeteries
Catholic Charities Trafficking Victim Services	Catholic Charities of the Archdiocese of St. Paul and Minneapolis
Church of All Saints	All Saints Catholic Church
CommonBond Communities	CommonBond Communities
Catholic Finance Corporation	Catholic Finance Corporation
Cristo Rey Jesuit High School	Cristo Rey Jesuit High School
DeLaSalle High School	DeLaSalle High School
Diocese of St. Cloud	Diocese of St. Cloud
Catholic Mutual	Catholic Mutual Relief Society of America
Cerenity Senior Care - Marian of St. Paul	Cerenity Senior Care
Holy Family Catholic Church	Church of the Holy Family
Our Lady of Peace Catholic Church	Our Lady of Peace Catholic Church
Risen Christ School	Risen Christ School
School Sisters of Notre Dame	School Sisters of Notre Dame
Macalaster College - Campus Ministry	Macalaster College
Newman Center	Newman Center
St. Anne Catholic Church	St. Anne's Community Development Corporation
Society of St. Vincent de Paul	Society of St. Vincent de Paul
St. Peter & Paul Catholic Church	St. Peter & Paul's Catholic Church
St. Henry Catholic Church	Church of St. Henry
St. Francis Regional Medical Center	St. Francis Regional Medical Center
St. Paul Seminary School of Divinity	The Saint Paul Seminary
St. Peter Claver Catholic Church	Missionary Sisters of St. Peter Claver
St. Pius X Diocese of New Ulm	Church of St. Pius X
St. Thomas Academy	St. Thomas Academy
St. Stephen Catholic Church	St. Stephen's Church
Premier Bank	Premier Bank / Premier Bank Minnesota
The Continental Insurance Company	Continental General Insurance Company

Hartford Accident and Indemnity Company	Hartford Life Insurance Companies, Hartford Specialty, Hartford Insurance, Hartford Financial Services Group, Inc., and Hartford Fire Insurance Company
American Home Assurance Company	American Home Assurance Company
The Aetna Casualty and Surety Company	Aetna, Aetna Life Insurance Company, The Aetna Casualty and Surety Company
Travelers Casualty and Surety Company	American Travelers Insurance Company, National Travelers Life Company, St. Paul Travelers Companies, St. Paul Travelers Insurance Companies Inc., St. Paul Travelers Special Liability Group, Travelers Casualty and Surety Company, Travelers Casualty Company, Travelers Insurance Company, Travelers Property Casualty, Travelers Casualty and Surety Company of America
Certain Underwriters of Lloyds, London	Lloyds of London
CNA Reinsurance of London, Ltd.	CNA, CNA Insurance Company, CNA Surety
Interstate Fire and Casualty Company	Interstate Fire and Casualty Insurance Company
21 st Century Centennial Insurance Company	Centennial Surety Associates, Inc., Centennial Surety Associates, Inc., Centennial Surety
The Continental Insurance Company	Continental General Insurance Company

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

The Archdiocese of Saint Paul
and
Minneapolis,

ORDER APPROVING
EMPLOYMENT OF ATTORNEYS

BKY 15-30125

Debtor.

At Minneapolis, Minnesota, March __, 2015

Based on the application filed on March 2, 2015, by
the official committee of unsecured creditors pursuant to 11
U.S.C. §§ 328(a) and 1103:

IT IS ORDERED:

The employment by the committee of Stinson Leonard
Street LLP, to represent the committee in carrying out its
duties under Title 11 is approved.

ROBERT J. KRESSEL
UNITED STATES BANKRUPTCY JUDGE